

## Message Text

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43

ACTION EB-11

INFO OCT-01 EUR-25 EA-11 ISO-00 SPC-03 AID-20 NSC-10

RSC-01 CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02

CIAE-00 COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12

LAB-06 SIL-01 L-03 H-03 PA-04 PRS-01 USIA-15 FSE-00

ABF-01 DRC-01 /181 W

----- 118800

R 161555Z OCT 73

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC 2194

INFO AMEMBASSY BONN

AMMBASSY BRUSSELS 3737

USMISSION EC BRUSSELS UNN

AMEMBASSY COPENHAGEN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

UNCLAS THE HAGUE 4582

PASS TREASURY AND FRB

E.O. 11652: N/A

TAGS: EFIN, NL

SUBJ: NETHERLANDS CENTRAL BANK INCREASES DISCOUNT RATE

REF: THE HAGUE 3402

1. THE NETHERLANDS CENTRAL BANK ANNOUNCED, EFFECTIVE OCT 16, AN INCREASE IN THE DISCOUNT RATE FROM 6.5 PERCENT TO 7 PERCENT. THIS IS THE FIFTH INCREASE IN 1973.

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2. THE BANK SAID IT RAISED ITS RATES TO BRING THEM INTO LINE WITH MONEY MARKET RATES AND TO TAKE ACCOUNT OF THE CONTINUING EXPANSION OF THE BANKS' CREDIT. THE BANK DECIDED TO CUT THE EXTRA CHARGE ON BANKS WHICH MAKE EXCESSIVE CALLS ON THE CENTRAL BANK TO TWO PERCENT FROM THREE PERCENT ON AN ANNUAL BASIS TO REDUCE THE UPWARD PRESSURE ON THE MONEY MARKET RATES.

3. THE OTHER RATES OF THE CENTRAL BANK WERE ALSO INCREASED BY 1/2 PERCENT. THESE ARE NOW: PROMISSORY NOTE RATE: 8 PERCENT; ADVANCES ON CURRENT ACCOUNT AND LOANS TO PRIVATE INDIVIDUALS: 9 PERCENT; ALL OTHER RATES: 8 PERCENT.  
GOULD

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DISCOUNT (EXCHANGE RATE), CURRENCIES, BANK RATES, FOREIGN EXCHANGE RATES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 OCT 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973THEHA04582  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** THE HAGUE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19731028/aaaaauke.tel  
**Line Count:** 73  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** THE HAGUE 3402  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** collinp0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 12 SEP 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <12-Sep-2001 by phillir0>; APPROVED <28-Jan-2002 by collinp0>  
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EO Systematic Review  
30 JUN 2005

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**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NETHERLANDS CENTRAL BANK INCREASES DISCOUNT RATE  
**TAGS:** EFIN, NL  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005